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April 11, 2008

**By US and Electronic Mail**

Joel LaBissonniere  
Assistant General Counsel for Ocean Services (GCOS)  
Brett Grosko, Attorney Advisor  
Office of the General Counsel for Ocean Services  
National Oceanic and Atmospheric Administration  
U.S. Department of Commerce  
1305 East-West Highway, Room 6111, SSMC 4  
Silver Spring, MD 20910

Re: *Consistency Appeal by Weaver's Cove Energy, LLC*  
*Consistency Appeal by Mill River Pipeline, LLC*

Dear Messrs. La Bissonniere and Grosko:

I write on behalf of the Massachusetts Office of Coastal Zone Management (MCZM) to bring to the Secretary's attention two new proposals related to the underlying LNG Project. Because these changes could significantly alter the proposed activities comprising the Project, MCZM believes the Secretary should be made aware of these significant changes in circumstances. While these proposals update and clarify the status of information in the record, *see* 15 C.F.R. § 930.130(a)(2)(ii), the Secretary enjoys wide latitude in determining the content of the appeal decision record. 15 C.F.R. § 930.127(e)(1).

(1) Change of Information in the Letter of Intent to USCG. By letter dated March 21, 2008, Weaver's Cove submitted to the United States Coast Guard (USCG) a Change of Information to its Letter of Intent, in which it now seeks approval for smaller LNG vessels to transit Mt. Hope Bay and the Taunton River to deliver LNG to the proposed terminal site. This new Change of Information includes "material changes" to Weaver's Cove's prior vessel transit plan in response to the USCG's negative Letter of Recommendation (LOR), dated October 24, 2007. (The LOR prohibited LNG tankers from the Taunton River due to USCG's determination that key stretches of the river were unsuitable for the type, size and frequency of proposed LNG tanker traffic.)

(2) Alternative Berthing Station Proposal. On or about March 28, 2008, Petitioner Weaver's Cove notified Massachusetts, Rhode Island and City of Fall River officials of its plan to initiate Federal Energy Regulatory Commission review of a new, alternate proposal for delivering LNG to its proposed terminal in Fall River, Massachusetts. This new alternative

proposes constructing a berth in Mt. Hope Bay and installing 4 miles of insulated, underwater pipeline. LNG would be unloaded from tankers at the berthing station and moved through the pipeline to the storage tank at the proposed terminal site.

Weaver's Cove has not withdrawn its prior plans; rather, its announced intention is to pursue all three alternatives simultaneously. Thus, the type and extent of dredging activities necessary in Mt. Hope Bay and the Taunton River – which will vary considerably based on which proposal may be used – remains unknown, and administrative and permitting proceedings before numerous federal and state agencies to review and assess the new proposals have yet even to commence.

Sincerely,

Carol Iancu /s/

Carol Iancu  
Assistant Attorney General  
Environmental Protection Division

Encls.

cc: Bruce F. Kiely, Esq. (*By US and Electronic Mail*)  
Ralph T. Lepore, III. Esq. (*By US and Electronic Mail*)  
Margaret Callanan, Esq. (*By Electronic Mail*)



March 21, 2008

Captain Raymond J. Perry  
Captain of the Port  
Sector Southeastern New England  
United States Coast Guard  
1 Little Harbor Road  
Woods Hole, MA 02543

Dear Captain Perry:

This letter transmits the further Change of Information in the Letter of Intent ("LOI") from the previous Change of Information dated February 2, 2006, of Weaver's Cove Energy, LLC's ("Weaver's Cove") initial LOI filed on May 12, 2004. This filing is made pursuant to 33 C.F.R. 127.007(e)(1). The purpose of this further Change of Information is to seek approval of the Captain of the Port ("COTP") in a Letter of Recommendation ("LOR") for the transit of LNG vessels through the Narragansett and Mount Hope Bays and a short stretch of the lower reaches of the Taunton River to Weaver's Cove's FERC-approved LNG receiving terminal on the eastern bank of the Taunton River.

Weaver's Cove's prior LOI received a negative LOR issued by the previous COTP. Weaver's Cove has exercised its legal right to appeal to the Commander of the First Coast Guard District pursuant to 33 C.F.R. § 127.015(b). If necessary, Weaver's Cove intends to pursue its legal rights to further administrative and judicial review of the negative LOR.

*6. Vessel Characteristics and Frequency of Shipments.*

This further Change of Information in the LOI does not affect the LOR that is on appeal as this Change of Information includes certain material changes to the information that apparently gave rise to the negative LOR. These material changes are a serious good faith effort by Weaver's Cove to address certain of the stated concerns set forth in the negative LOR as Weaver's Cove heretofore has not had a chance to present solutions to certain of the concerns set forth in that negative LOR. The material changes are:

- i. The number of vessel transits is reduced to 70 vessels per year down from 120 transits per year in the prior change of information.
- ii. The length of the vessels will be 732.2 feet.
- iii. The beam of the vessels will be 78.8 feet.
- iv. The draft of the vessels will be 33.8 feet.
- v. The air draft will be 117.1 feet.

While Weaver's Cove does not agree with virtually any of the findings in the negative LOR that is the subject of the Coast Guard's administrative appeal process, it does believe that these material changes to the information that was before the former COTP at the time the negative LOR was issued provide a factual and operational foundation for the new COTP to move quickly to issue an LOR.

#### *8. Marine Safety Issues*

Further support for action on this Change of Information is demonstrated by the extensive work conducted by marine pilots from the Northeast Marine Pilots Association with literally dozens of years of experience navigating large vessels in the bays and rivers involved in this request. In particular, their work has included over 90 model runs with the vessel detailed in this Change of Information performed on the Marine Safety International ("MSI") maritime navigation simulator under a variety of wind and weather conditions. As MSI and these pilots reported to the author of the negative LOR, vessel transits of vessels with dimensions set forth in this Change of Information can be performed on a repeatable safe basis. There is no evidence nor studies of which Weaver's Cove is aware that refutes the results of this modeling effort. In addition, Weaver's Cove has conducted additional model simulations which address specific concerns raised in the negative LOR. These simulations are presented and discussed in the attached updated Waterway Suitability Assessment ("WSA"). Weaver's Cove would be pleased to invite the COTP to MSI to review and monitor further simulation runs to enhance familiarity with and understanding of the model and the assumptions used in model runs.

Obviously, the proposal to utilize vessels with smaller sizes than traditional LNG vessels is the direct result of the unfortunate action by the Congress to try to keep the decrepit and unsafe old Brightman Street Bridge in place solely as an obstruction to navigation to any vessel with a beam in excess of 90 feet.

Except for the changes indicated in this further Change of Information, all other information submitted in the initial LOI and the prior Change of Information remains valid and Weaver's Cove submits that its transit proposal will provide a high degree of navigational safety and security for the portions of the lower reaches of the Taunton River up to the jetty alongside the terminal and the coastal communities along which the LNG vessels will transit. A more detailed description of the changes outlined above can be found in the attached updated WSA. In addition to the WSA you will find an index of submissions which Weaver's Cove has made to the Coast Guard. Attaching all documents referenced would require literally hundreds of pages and be unreasonably burdensome. However, we would be pleased to provide you with any of the identified material you may require.

Captain Raymond J. Perry

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March 21, 2008

Weaver's Cove appreciates in advance the dedication time and cooperation of the Coast Guard in this matter and looks forward to receiving a favorable LOR.

Sincerely,

A handwritten signature in cursive script, appearing to read "R G Shearer", followed by a large, stylized initial "B" or "P".

R G Shearer  
Chief Executive Officer

**Attachments:**

1. Updated Waterway Suitability Assessment
2. Index of Weaver's Cove Filings

## Index of relevant Weaver's Cove Filings with the USCG

<b>Document Date</b>	<b>Document</b>	<b>Document Description</b>
19 APRIL 2004	Ship Modeling Simulations	Contains a summary of computer simulations conducted with a traditional sized "large" LNG ship.
12 MAY 2004	Letter of Intent	Letter of Intent to operate a newly constructed waterfront facility handling LNG. This document summarizes the proposed facility, vessels, operations and waterways.
2 FEBRUARY 2006	Change of Information Letter of Intent	Revised Letter of Intent to operate a newly constructed waterfront facility handling LNG. This document introduces the "small" LNG ship concept and demonstrates navigational feasibility.
22 NOVEMBER 2006	[updated] Waterway Suitability Assessment	This document provided a summary of the port environment and details possible impacts of introducing LNG to the port area.
22 NOVEMBER 2006	Environmental Assessment of the Use of Smaller Ships	This document discusses a range of environmental issues related to the movement of "small" LNG ships through Narragansett Bay.
23 JUNE 2006	LNG Membrane Carrier Ballistic Tests on Hull Structure	As submitted to the USCG on 8 JUNE 2007, this document presents the results of ballistic testing conducted to better understand potential impacts of a terrorist attack.
21 FEBRUARY 2007	Additional Smaller LNG Ship Design, Navigational and Operational Data	This document provides an in depth analysis of the "small" LNG ships including their design and operation. Included are a number of simulations conducted with the "small" LNG ship – with a particular focus on ship transits through the Brightman Street Bridges.
5 MAY 2007	Northeast Marine Pilots – Report on the Feasibility study of the Proposed Weaver's Cove LNG ship transit	Upon completion of an extensive simulation program, the Northeast Marine Pilots present their findings on Navigational Safety in this document.
7 JUNE 2007	Marine Safety International – Brightman Street	Upon completion of an extensive simulation program, Marine Safety International presents their finding on

	Bridge Simulation Report	Navigational Safety in this document.
18 JULY 2007	Response to USCG letter of 9 MAY 2007	This document addresses issues raised by the COTP in a letter from the COTP to Weaver's Cove dated 9 MAY 2007.
9 OCTOBER 2007	Additional information addressing navigational safety	Following a meeting between Weaver's Cove and the COTP and his staff, Weaver's Cove presented further analysis to address certain issues raised by the USCG. Most of the issues addressed relate to navigational safety.
20 NOVEMBER 2007	Request for Reconsideration	Following the COTP's Letter of Recommendation, Weaver's Cove submitted this document detailing deficiencies in the LOR.
7 JANUARY 2008	Appeal of the LOR to USCG District One	Following the COTP's response to the Request for Reconsideration, Weaver's Cove submitted its appeal detailing deficiencies in both the LOR and the response to the Request for Reconsideration.



March 28, 2008

Dear Commissioner Burt,

As you are aware, on July 15, 2005, the Federal Energy Regulatory Commission ("FERC") authorized Weaver's Cove Energy, LLC ("Weaver's Cove") to site, construct and operate a liquefied natural gas ("LNG") receiving terminal in Fall River, Massachusetts, subject to certain conditions. Weaver's Cove is continuing to pursue the permits necessary to construct and operate the LNG terminal as approved by FERC. Weaver's Cove also has identified an alternative proposal for unloading LNG ships. This alternative proposal involves the construction of an offshore berth and LNG pipeline to transfer the LNG to the terminal site previously approved by FERC. A brief description of Weaver's Cove's plans for the new berth and LNG unloading system is attached to this letter.

In the near future, Weaver's Cove will initiate FERC review of this alternate berthing and unloading option by requesting to participate in FERC's pre-filing review process. The purpose of the pre-filing process is to encourage involvement by interested stakeholders in the environmental review process in a manner that allows for early identification and resolution of environmental issues, before Weaver's Cove submits a formal application under Section 3 of the Natural Gas Act. FERC has designed the pre-filing process to support open communication between the project developer and interested stakeholders early in the project development process and several months before a formal application is filed.

Weaver's Cove is committed to meeting with interested persons to discuss this proposed offshore berth alternative. As in the past, we would like to personally brief you on the new proposal, should you desire. If that is the case, please contact us so we can arrange a mutually agreeable time and location. If you have any questions regarding the project that may be answered by phone or do desire a personal meeting, please call Marcia MacClary at 508-675-9470.

It is Weaver's Cove's intent to continue to keep you fully apprised of all current activity with its project as we have in the past. As a key stakeholder in this process, we believe you should be as informed and up to date with the facts as possible and intend to make every effort to ensure you have timely and accurate information. We look forward to hearing from you and working with you on this project.

Best regards,

Gordon Shearer  
Chief Executive Officer



## PROJECT DESCRIPTION

Weaver's Cove Energy proposes to construct an offshore berth in Mount Hope Bay. This berth will be capable of receiving LNG ships, supporting the LNG unloading operations, then moving the LNG in liquid form through a buried, insulated, underwater pipeline to the storage tank at the FERC approved Weaver's Cove onshore facility. Consistent with our previous project plans, the LNG will be stored and subsequently vaporized for transport through pipelines to homes and businesses throughout the region; or, it will be transported via truck from the terminal as a liquid to "peakshaving" storage tanks, such as exists on Bay Street in Fall River.

The facilities at the proposed offshore berth will include LNG unloading lines, a vapor handling system, as well as electrical power and control systems. The berth will be located approximately 4 miles south of the Weaver's Cove Energy LNG facility in Fall River, MA. This berth will be connected to the terminal via one or two LNG pipelines. The pipelines will be routed from the offshore berth to the terminal in a northeasterly direction generally along the western side of the Taunton River. The LNG pipelines will be buried at least five feet under the Taunton River and Mount Hope Bay. (See map below.)

